

STERLING TOOLS LIMITED

CIN : L29222DL1979PLC009668



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<u>By NEAPS</u>	<u>By Listing Centre</u>
National Stock Exchange of India Limited "Exchange Plaza", Bandra-Kurla Complex, Bandra (E) Mumbai-400051	General Manager BSE Limited 1 st Floor, P. J. Towers Dalal Street Mumbai – 400001
Security Code No.: STERTOOLS	Security Code No.: 530759

Date: 02nd August 2023

Sub: Investor Presentation for Quarter ended 30th June 2023

Dear Sir/ Madam,

This is in continuation of our letter dated 27th April 2023, with respect to intimation of Schedule of Analyst/ Institutional Investor Meeting – Conference Call on 03rd August 2023 at 10:30 a.m.

Further, in pursuance to the Regulation 30 read with Part A Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed herewith Investor presentation for the quarter ended on 30th June 2023.

This is for your information and records.

Sincerely
For **STERLING TOOLS LIMITED**


Abhishek Chawla
Company Secretary & Compliance Officer
M. No.: A-34399

Encl.: As above.

REGD. OFFICE : 515, DLF Tower-A,
Jasola District Centre, New Delhi - 110025
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**DRIVING
TRANSFORMATION,
POWERING THE FUTURE**

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SAFE HARBOR STATEMENT



This presentation and the accompanying slides (the "Presentation") have been prepared by Sterling Tools Ltd (the "Company") solely for informational purposes and do not constitute an offer, recommendation, or invitation to purchase or subscribe for any securities, and shall not serve as the basis for any contract or binding commitment.

No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

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**STERLING GTAKE
E-MOBILITY**

RELIABLE. SUSTAINABLE. TRANSFORMATIONAL.

BUSINESS OVERVIEW

At a Glance



Fasteners Business

- STL is a premier producer of cold forged hi-tensile fasteners and supplies to all major auto OEMs
- 4 Manufacturing Facilities: 3 in Faridabad, 1 in Kolar (Bangalore)
- State of the Art manufacturing facilities to provide reliable and high-quality products
- STL caters to major OEMs across PVs, CVs, 2Ws, Construction and Farm Equipment segments
- Long standing relationship with customers over the last four decades

EV Component Business

- Sterling Gtaka E-mobility Limited (SGEM) : Largest MCU manufacturer for Hi-speed scooters in India
- 1 manufacturing plant in Faridabad and 1 R&D centre each in Faridabad & Bangalore
- More than 50 people in Engineering
- Awarded 16 business awards
- 40 live customer programmes
- Strong presence in 2W, 3W and LCV
- Installed capacity of 3,00,000 MCUs per annum, being expanded to 6,00,000 MCUs per annum
- SGEM achieved positive PAT in its first year of operations

STL Group*

Total Income
222.8 cr

EBITDA
27.7 cr

PBT
16.9 cr

PAT
13.1 cr

**Figures are as of Q1FY24*



Commenting on the results and performance for Q1 FY24, Mr. Atul Aggarwal, Whole time Director of Sterling Tools Ltd. said:

"We are pleased to share that the overall growth has been on a positive trajectory, with a topline growth of 27.6% and PAT growth of 36.4% on a YoY basis. Overall auto-industry growth has been tepid and segments like CV and tractors have witnessed de-growth. However, we have reported a revenue growth of 7.4% YoY in our fasteners business.

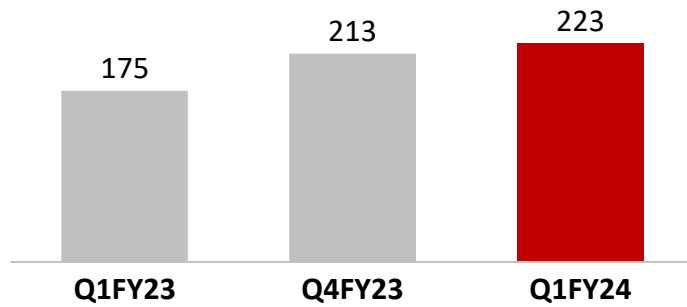
The EV industry witnessed a growth of 77% during the quarter gone by whereas we have reported a staggering growth of 135% in our EV component segment on a YoY basis. Our EV business is expanding rapidly and revenue has nearly doubled in Q1FY24 over the corresponding quarter last year. We remain optimistic about our plans for FY24 both for fasteners and EV component business."

CONSOLIDATED FINANCIAL HIGHLIGHTS

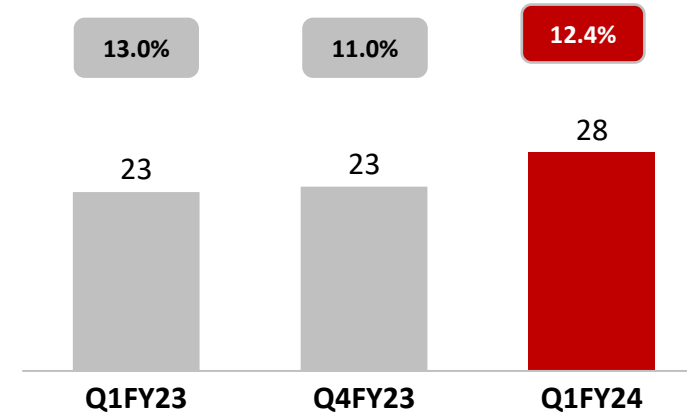


Rs. in Crs.

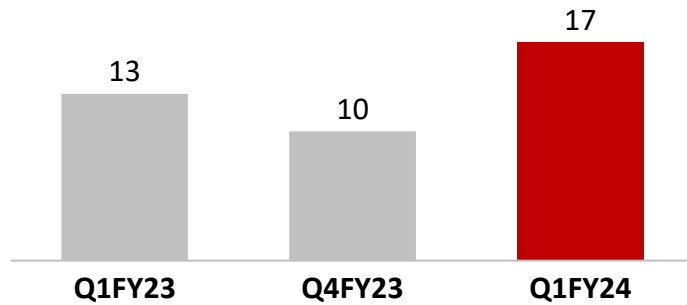
TOTAL INCOME



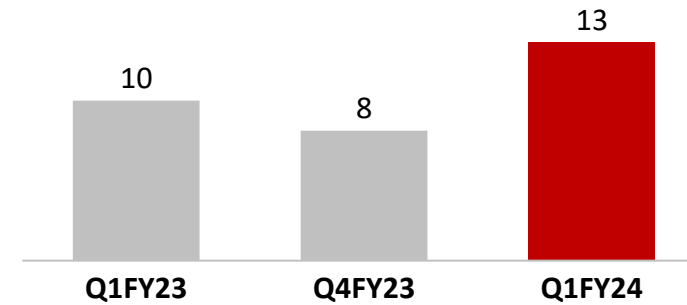
EBITDA



PBT*



PAT*



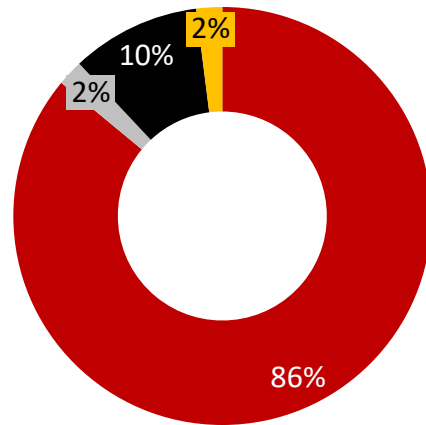
* Note – Estimated interest liability of Rs.20.39L recognised by the company on foreclosure of its EPCG License

WELL DIVERSIFIED REVENUE MIX

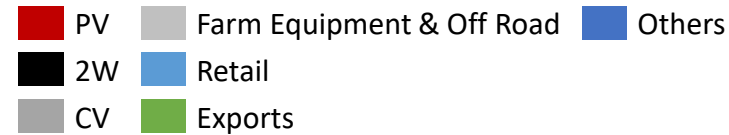
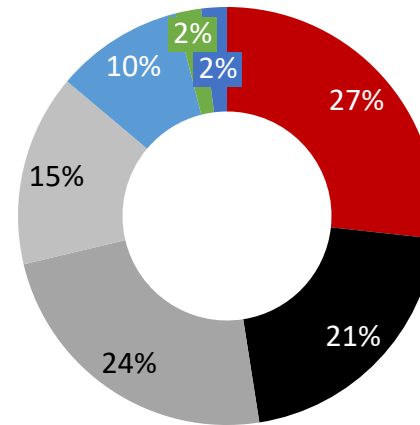


Fasteners Business

Channel-wise Mix Q1FY24

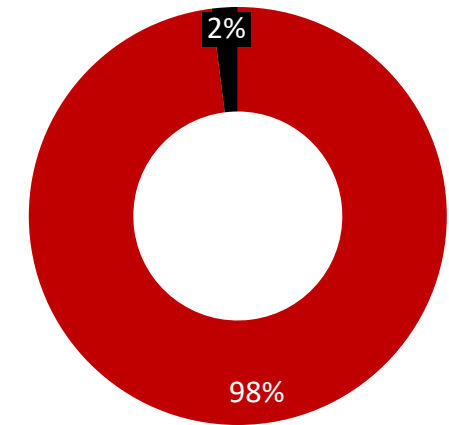


Segment-wise Mix Q1FY24



EV Component Business

Segment-wise Mix Q1FY24



Note - 100% EV products supplied to OEMs

*3W & others includes sales in EV



FINANCIAL HIGHLIGHTS

CONSOLIDATED PROFIT & LOSS STATEMENT



RELIABLE. SUSTAINABLE. TRANSFORMATIONAL.

Rs. in Crs.

Particulars (Rs Crs)	Q1FY24	Q1FY23	YoY	Q4FY23	QoQ	FY23
Total Income	222.8	174.6	27.6%	212.7	4.8%	774.9
Cost of Goods Sold	116.8	86.7		111.0		388.6
Gross Profit	106.0	88.0	20.5%	101.7	4.2%	386.2
Gross Profit Margin	47.6%	50.4%		47.8%		49.8%
Total expenses	78.4	65.2		78.3		285.8
EBITDA	27.7	22.7	21.6%	23.4	18.2%	100.4
EBITDA Margin	12.4%	13.0%		11.0%		13.0%
Depreciation and amortisation expenses	8.1	7.9		7.9		31.7
Finance costs	2.5	1.9		2.2		8.8
Profit before tax*	16.9	12.9	31.0%	10.0	69.7%	63.3
Profit before tax Margin	7.6%	7.4%		4.7%		8.2%
Tax	3.9	3.3		2.2		15.4
Profit after tax*	13.1	9.6	36.4%	7.8	68.0%	47.9
Profit after tax Margin	5.9%	5.5%		3.7%		6.2%
EPS	3.63	2.66		2.16		13.29

* Note – Estimated interest liability of Rs.20.39L recognised by the company on foreclosure of its EPCG License

STANDALONE PROFIT & LOSS STATEMENT



RELIABLE. SUSTAINABLE. TRANSFORMATIONAL.

Rs. in Crs.

Particulars (Rs Crs)	Q1FY24	Q1FY23	YoY	Q4FY23	QoQ	FY23
Total Income	148.6	138.3	7.4%	158.7	-6.3%	603.5
Cost of Goods Sold	60.7	55.9		73.7		254.4
Gross Profit	87.9	82.5	6.6%	85.0	3.5%	349.2
Gross Profit Margin	59.2%	59.6%		53.5%		57.9%
Total expenses	66.9	60.9		63.9		256.9
EBITDA	21.0	21.6	-2.6%	21.1	-0.3%	92.3
EBITDA Margin	14.1%	15.6%		13.3%		15.3%
Depreciation and amortisation expenses	7.7	7.8		7.6		30.9
Finance costs	2.2	1.8		2.0		8.1
Profit before tax*	10.9	12.0	-9.2%	8.1	33.9%	56.7
Profit before tax Margin	7.3%	8.7%		5.1%		9.4%
Tax	2.8	3.2		2.9		15.3
Profit after tax*	8.1	8.9	-8.6%	5.3	53.8%	41.4
Profit after tax Margin	5.4%	6.4%		3.3%		6.9%
EPS	2.25	2.46		1.46		11.50

* Note – Estimated interest liability of Rs.20.39L recognised by the company on foreclosure of its EPCG License



HISTORICAL FINANCIALS

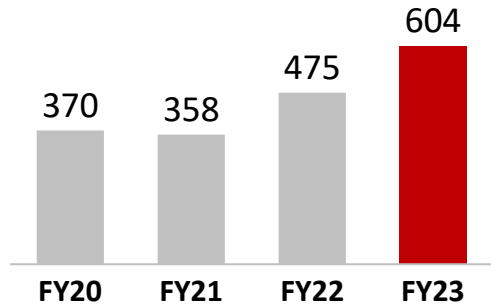
FINANCIAL HIGHLIGHTS



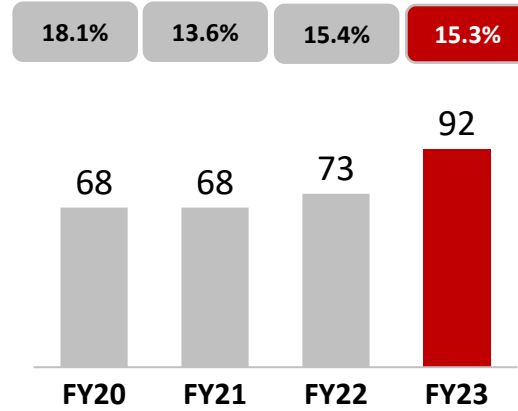
Rs. in Crs.

STANDALONE

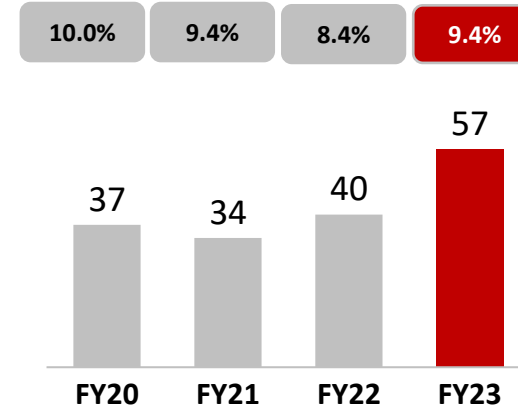
Total Income



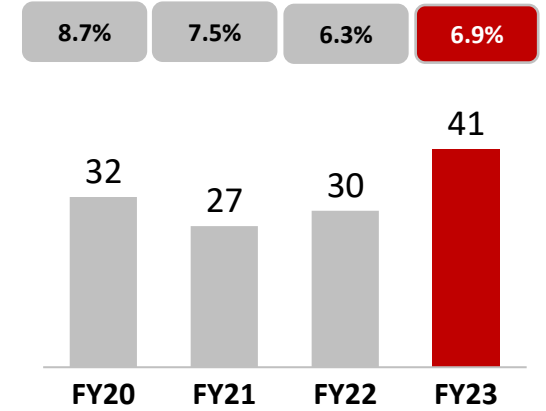
EBITDA



PBT*

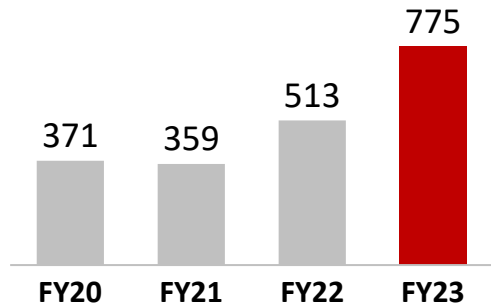


PAT*

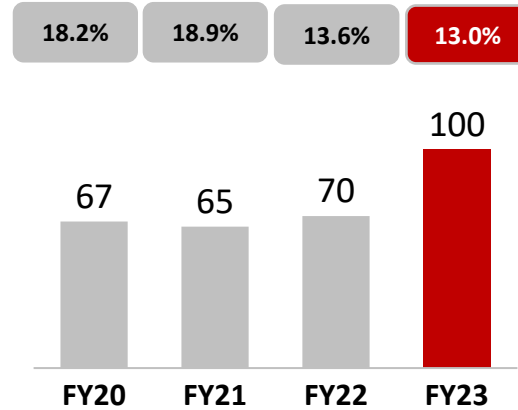


CONSOLIDATED

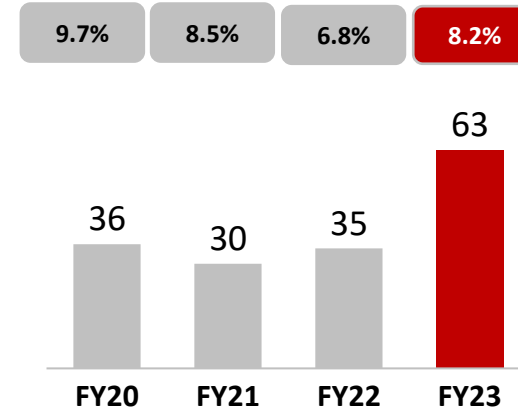
Total Income



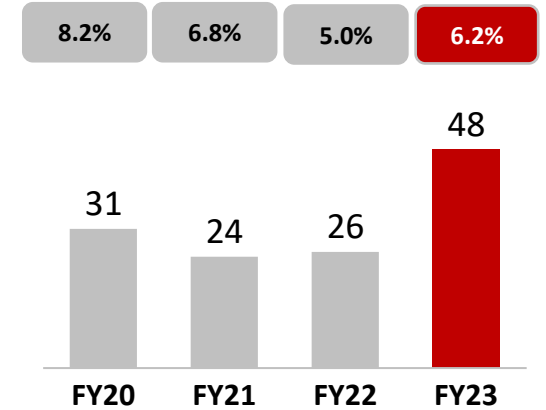
EBITDA



PBT*



PAT*

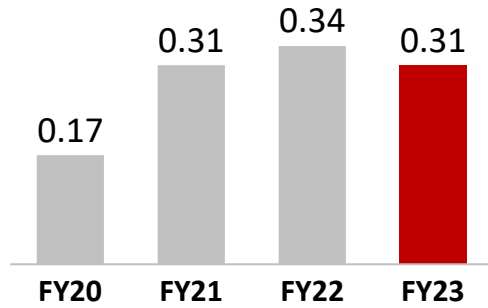


KEY RATIOS



STANDALONE

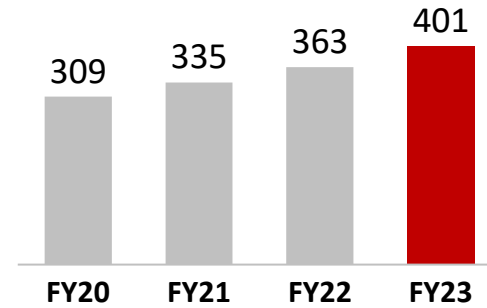
Debt / Equity (x)



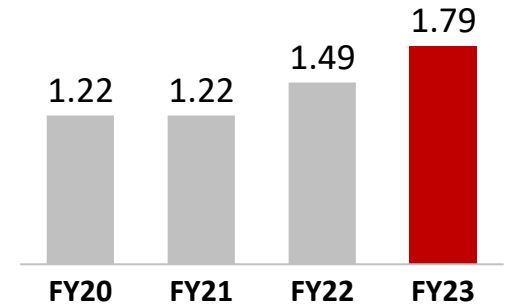
Current Ratio (x)



Networth (Rs. Cr.)

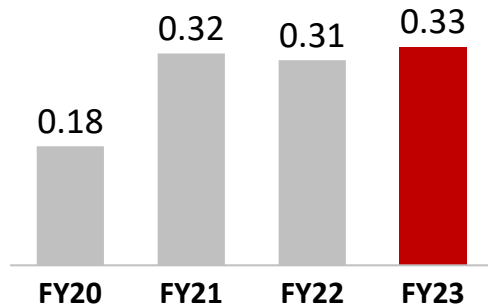


Fixed Asset Turnover (x)



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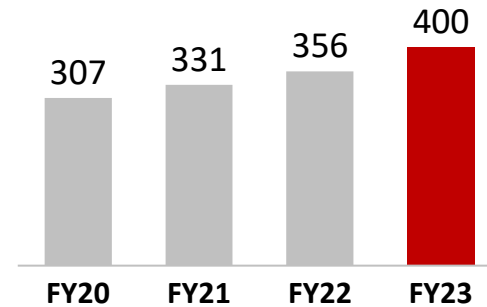
Debt / Equity (x)



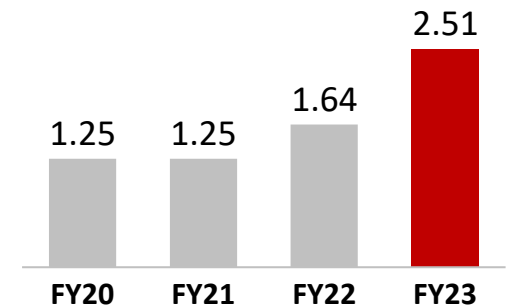
Current Ratio (x)



Networth (Rs. Cr.)



Fixed Asset Turnover (x)

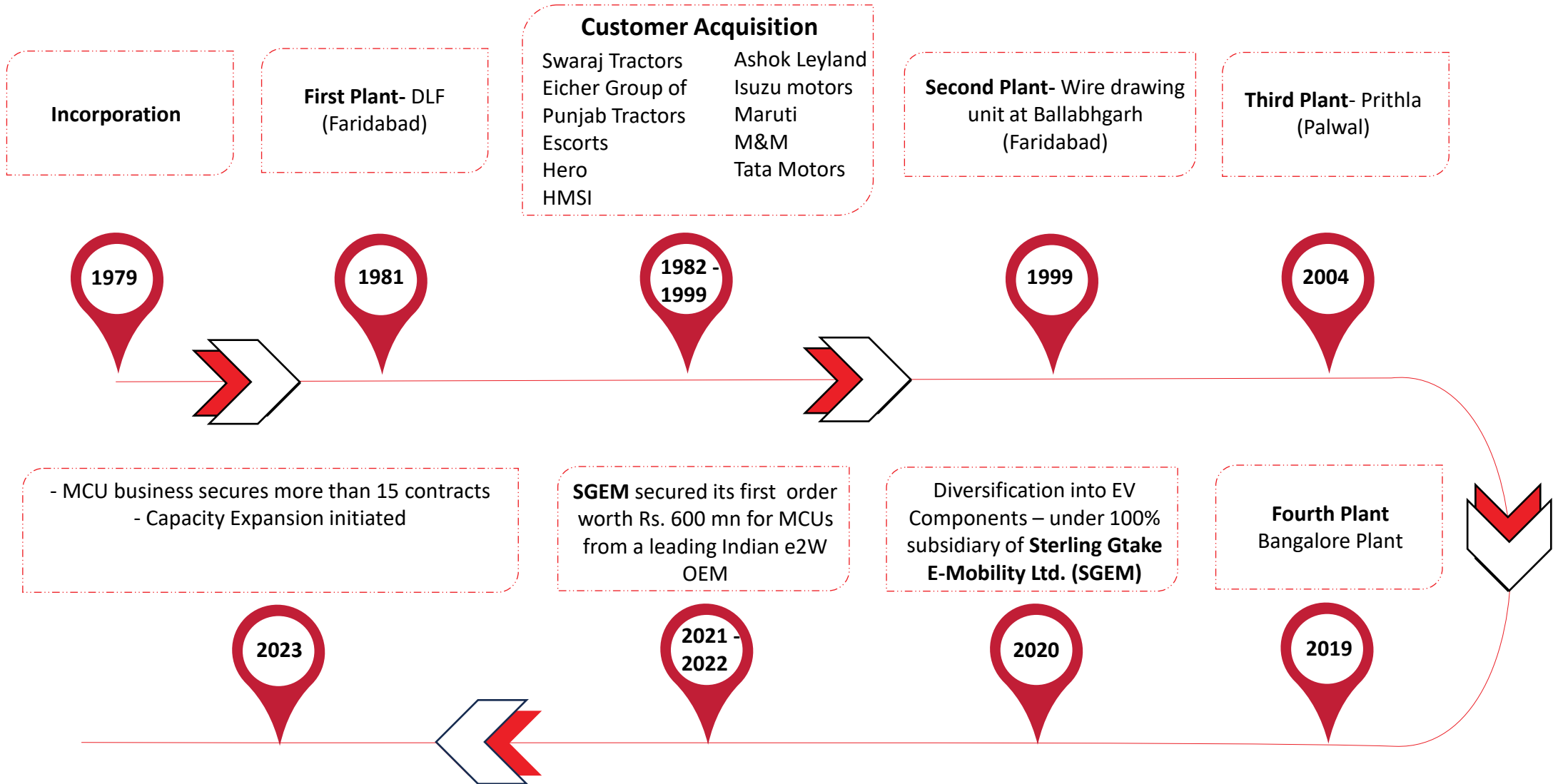




ANNEXURE

The image above represents our fasteners facility in Bangalore

HISTORY & MILESTONES



PRODUCT PORTFOLIO



FASTENERS

Standard Fasteners



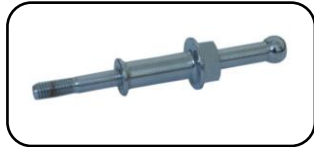
Special Fasteners



Chasis Fasteners



Engine Fasteners



Nuts and Bolts



STANDARDS

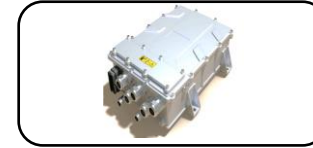


EV COMPONENT / MCU

2W & 3W Segment



PV & LCV Segment



M & HCV Segment



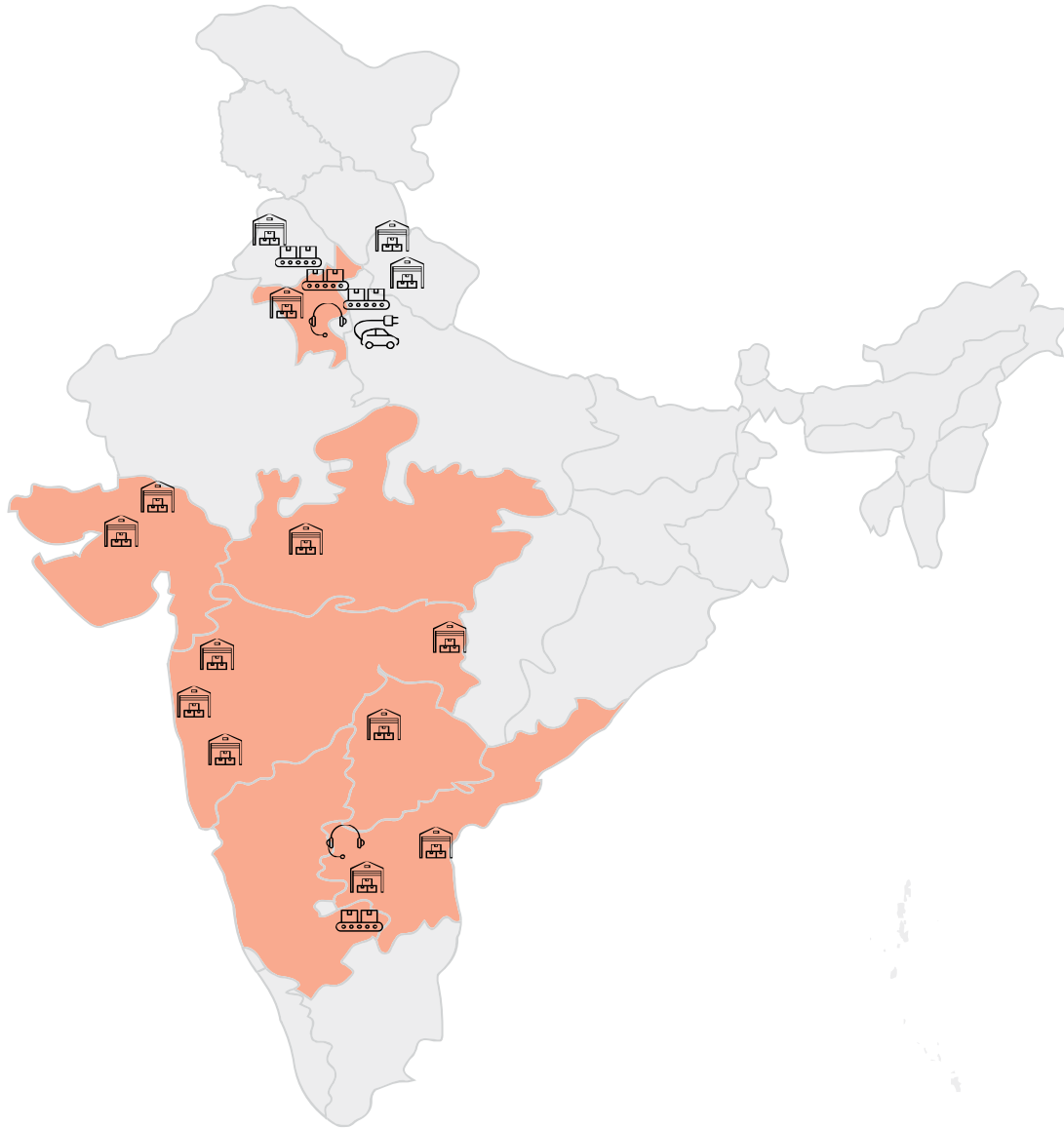
KEY CLIENTELE - FASTENERS



Passenger Vehicles		Two Wheelers	
Commercial Vehicles			
Exports		Construction	
Farm Equipment		TIER-1	

Aftermarket: Strong Pan-India presence with 100+ Distributors

PAN INDIA PRESENCE



Fasteners



- 4** Manufacturing Plants:
- Faridabad
 - Ballabgarh
 - Palwal
 - Bangalore



18 Warehouses at **14** Locations

EV Component



- 1** MCU Manufacturing Plant:
- Faridabad



- 2** SGEM R&D Centre
- Faridabad
 - Bangalore

OUR STRENGTHS



Leading player in the automotive fastener segment

- We are second largest player in the automotive fastener segment
- A long-standing relationship with major Auto OEM's enables in increasing its share of business



Credibility

- Four decades of market presence helped the company to demonstrate strong credibility amongst all the stakeholders

First Mover Advantage in EV Component

- SGEM is a pioneer in developing MCU's in the 2W:
 - High speed scooter segment (>~50 kmph) - ~50% market share
 - Overall - ~30% market share
 - Engineering and Ecosystem to support volumes



Experienced Manpower

- Our teams demonstrate our intrinsic growth potential
- An experienced management coupled with a young and dynamic workforce will enable our company to excel into newer business areas

To partner and explore possible synergies

- To explore growth opportunities and leverage strategic partnerships which will lead to higher share of business in the auto component space



Sustainable growth and profitability

- The Company is focused on building a healthy mix of premium priced value-added products with healthy margins at portfolio level



BOARD OF DIRECTORS



Mr. Anil Aggarwal, Chairman-cum Managing Director

38+ years of experience, Expertise in Manufacturing, Project management, Administration, Product and Project development and Quality control for auto components



Mr. Atul Aggarwal, Whole Time Director

34+ years of experience, Expertise in Marketing, Banking, Finance, Corporate Affairs, Information Technologies and Export Resources Management.



Mr. Chhotu Ram Sharma, Director

40+ years of experience, Expertise in Banking & Finance Ex- MD & CEO of Bank of Punjab Ltd.



Mr. Shailendra Swarup, Director

50+ years of experience, Expertise in Corporate Law including International Law CEO- Swarup & company



Mr. Jaideep Wadhwa, Director

30+ years of experience, Expertise in International Business Management, Auto & Industrial Component Industry Knowledge, Ex- MD in the Ingersoll Rand



Dr. Triloki Nath Kapoor, Director

50+ years of experience, Expertise in Administration, Management, Regulatory Compliances and Governance related issues.Ex- Vice Chancellor and Dean of Punjab University



Ms. Malini Sud, Director

35+ years of experience, Expertise in Corporate Laws Founder- Capex Legal



Mr. Rakesh Batra, Director

30+ years of experience, Expertise in Consulting and Strong knowledge in Regulatory Compliances Ex- EY Partner and National Leader Auto Sector








Mr. Akhill Aggarwal, Director

10+ years of experience, Expertise in Automobile business and other allied services related to the sector

PREVIOUS ANNUAL RESULTS



Financial Year	PDF Link
FY23	
FY22	
FY21	
FY20	
FY19	



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For further information, please contact

STL Group :



Sterling Tools Limited



RELIABLE. SUSTAINABLE. TRANSFORMATIONAL.

CIN: L29222DL1979PLC009668

Mr. Pankaj Gupta (Group Chief Financial Officer)

Mr. Abhishek Chawla (Company Secretary)

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Investor Relations Advisors :

SGA Strategic Growth Advisors

CIN: U74140MH2010PTC204285

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Mr. Aakash Mehta

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